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CENTRAL INTELLIGENCE AGENCY

REPORT

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INFORMATION REPORT

CD NO.

COUNTRY East Germany

DATE DISTR. 17 October 1955

SUBJECT Future Lines of Industrial Development

NO. OF PAGES 1 2

PLACE ACQUIRED

NO. OF ENCLS. (LISTED BELOW)

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DATE OF INFO.

SUPPLEMENT TO REPORT NO.

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a. One of the results of the All-Union workers in Moscow during May 1955 was East German industrial development within the framework of a coordinated plan including all East Bloc countries. It was determined that East German industrial development would be confined mainly to those industries which are basic for East Germany in view of its tradition as well as in view of the availability of materials. These industries are:

- (1) The basic chemical industry, which means mainly the coal and lime industries.
- (2) The radio and telecommunications industry.
- (3) The precision mechanics and optical industry.

b. During the All-Union, East Germany was heavily criticized because during the past year an all-out effort at developing the heavy machine construction industry of the three basic industrial sectors specified above.

c. In the future the heaviest emphasis in East Germany will be placed upon the development of the three industrial sectors mentioned and no longer on the heavy machine construction sector within the coordinated industrial effort of the East Bloc countries. The Soviet Union and Czechoslovakia are the natural countries for heavy machine construction development.

3. The directing collective was established in order to enforce

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development for West Germany. As a result, West German plants and offices affiliated with the basic chemical industry, the metal and telecommunications industry, and the precision mechanical and optical industry were to be particularly investigated by the directing agencies as to their production, equipment, personnel, and profitability.

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